

Well at least they  
Spelled SAFE correctly

## GOVERNMENT ELECTRONICS

### Say DOD Agency Leaves \$100M CIA CPU Net

By JACK ROBERTSON

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WASHINGTON — The Defense Intelligence Agency has pulled out of Program SAFE, a \$100 million joint computer network with the Central Intelligence Agency, threatening a major redirection of the project, sources said here last week.

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TRW Defense & Space Systems division is the prime contractor, using a large bank of Burroughs computers tied together with a massive secure network of remote terminals around the world.

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A spokesman for DIA would only reply that the agency could make no statement.

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The CIA referred all questions to TRW, and a spokeswoman for that firm said Program SAFE was continuing without change. She said any further details were classified and could not be discussed.

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Sources said SAFE is a massive bank of intelligence information, which is fed in by encrypted relay from remote terminals at various

DIA and CIA offices around the world. Until recently, even the name of the program could not be disclosed.

TRW won the SAFE project several years ago in a hotly contested bid. Even though the project was highly classified, the CIA, acting as the lead agency, conducted a secret bid of several computer network systems firms and reportedly selected TRW as the low price firm.

Sources said TRW originally bid IBM large-scale computers, but after getting the contract got the CIA and DIA to agree to switch to a mix of Burroughs processors. It could not be learned which Burroughs models are planned in the system.

The reasons for the reported DIA withdrawal from SAFE were uncertain, although sources said budget problems and DIA questions about SAFE may have been a major factor.

Another "black area" secret program, the National Security Agency's Project Maroon Shield with RCA Communications division, reportedly had overcome technical

problems and is a viable project, according to sources. Maroon Shield reportedly is a global satellite relay of intelligence data, presumably intercepted electronic signals.

Sources said another NSA program, Project Silkworth, by Ford Aerospace & Communications Corp., was still having software difficulties; however, Lt. Gen. Lincoln Faurer, NSA director, asked about the report when contacted at a recent Air Force Association symposium, said "I wouldn't characterize that program as having any major trouble." He said he could not elaborate.

### FEDERAL MONITOR

WASHINGTON — The Small Business Administration has put into effect a new program of export revolving line of credit loans to encourage greater exports by small U.S. companies.

Use of the new loans will be for penetration into or developing of a foreign market, or to finance labor and materials for pre-export production.

The loans would be handled similar to all section 8(a) SBA guaranteed loans. Maturity of the loans cannot exceed 18 months, which many in industry consider too short a period. SBA has said that by law, the maturity period could not be longer.

Only collateral of assets located in the U.S. or U.S. territories can be considered for the export loans.

Full details are carried in the Federal Register of June 3 beginning on page 24,111, or are available from Robert Bartlett, SBA Chief of Business Loans

### E-Systems' Protest Denied by GAO

WASHINGTON — The General Accounting Office last week denied E-Systems' protest that a \$38.9 million Army contract to Tadiran Industries of Israel for AN/VRC-12 vehicle-mounted field radios violated the Buy American Act.

Tadiran edged E-Systems Memorandum of Agreement (MOA) division, which bid \$46.9 million, and Cincinnati Electronics, bidding \$64.8 million.

GAO ruled that Israel had a Memorandum of Agreement (MOA) with the U.S. waiving Buy American penalties for firms in that country bidding on most defense contracts.

therefore outside the MOA signed with Israel. E-Systems claimed a U.S.-controlled firm was therefore importing radios and subject to Buy American penalties.

GAO has rejected E-Systems' contention that the U.S. defense mobilization base would be damaged by allowing future AN/VRC-12 radios to be produced offshore. The auditor noted the Army had not placed the radio on the list of mobilization priority weapons. Army officials said a bevy of U.S. communications firms could step in to make the radio at any time, and that similar VHF radios — such as the AN/GRC-106 and AN/PRC-77 — were being made by

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